

November 14,2002

VIA HAND DELIVERY

Ms. Marlene H. Dortch Office of the Secretary Federal Communications Commission 445 12th Street, SW. Room TW-A325 Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

Re: Comments Regarding Rules and Regulations Implementing the

Telephone Consumer Protection Act (TCPA) of 1991 (47 CFR Part 64)

Dear Madam Secretary:

SER Solutions, Inc. respectfully submits these comments to the Federal Communications Commission ("FCC") in response to the FCC's Notice of Proposed Rulemaking ("NPRM"), Rules and Regulations Implementing the Telephone Consumer Protection Act (TCPA) of 1991, CG Docket No. 02-278, CC Docket No. 92-90, FCC 02-250.

We are the leading manufacturer of outbound predictive dialers in the United States. Thirteen of the top fifteen outbound teleservice companies in the US. use SER's predictive dialing technology. Our customers include hundreds of telemarketing service bureaus, financial services companies, collection agencies, telecommunications companies, travel industries, educational institutions, non-profit organizations, the United States Government, the Republican and Democratic parties, and many others.

The FCC bas asked for comment on a variety of issues. SER's interests relate principally to those areas that would impact the use and viability of predictive dialers to support the teleservice industry. SER's comments are, therefore, principally focused on those issues. SER believes that the TCPA of 1991 bas thus far been effective in protecting the privacy of individuals while permitting legitimate teleservice bureaus to operate their businesses.

SER understands that predictive dialer technology and teleservice business practices have evolved since the FCC issued the TCPA of 1991. However, two of the amendments proposed in the NPRM are of great concern to SER because they could have a significant negative impact on responsible teleservice businesses without increasing the privacy of consumers.

In an attempt to assist the Commission in defining balanced regulatory standards allowing responsible businesses to continue to engage in productive teleservice activities while protecting the privacy of individuals and permitting legitimate business practices, we have comments on the following two NPRM amendments proposed by the Commission.

Abandoned Call Maximums

The Commission seeks comments on configuring a maximum setting on the number of abandoned calls. The use of predictive dialers is a common practice in industry, both for telemarketing and in

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other areas where businesses call consumers, such as bill collection and requests for charitable donations. Only a very small percentage of calls being abandoned are the result of predictive dialers.

It is important to understand that predictive dialers are tools used by teleservice companies to maximize operational efficiencies and reduce costs of running calling campaigns. If these tools are not available, or their use unnecessarily restricted, the jobs they were meant to simplify would still be performed, only at lower efficiencies and higher costs. For example, if a calling campaign requires calling all people who gave donations to a particular charity to solicit additional donations, the number of calls placed during the campaign will be the same regardless of whether a predictive dialer is used. If a predictive dialer were used, the campaign would take less time to complete, cost the charity less money to operate, thereby allowing it to realize a greater percentage of the donations.

The business needs of a campaign must, of course, be balanced against the privacy concerns of consumers. SER therefore submits that companies should utilize the lowest abandon call rate commensurate with effective, lawful, and responsible business practices. The optimum abandonment rate varies depending on a multitude of factors including, but not limited to, the specific campaign, the skill set of the agents placing the calls, the effectiveness of the call list, the nature and purpose of the call, the product or service being offered, the target audience, and the time of day the call is made. SER supports proper use of predictive dialer equipment and relies on the calling party to best manage the dialer. SER also recognizes that campaign characteristics vary tremendously and believes that setting an arbitrary floor on abandoned calls—without consideration of specific campaign needs—interferes with efficient campaign management. Such random limitations will result in losses of campaign efficiencies and increased costs to consumers.

Transmission of Caller ID Information

The Commission also seeks comment on the requirement for telemarketers who use predictive dialers to transmit caller ID information. SER opposes the proposed regulation and believes that it is highly unlikely that consumers will desire that caller ID disclosures be required for abandoned calls, particularly on consumer voice mail or answering machines. Such transmission of caller ID information would not limit the number of unwanted calls. Additionally, a requirement to transmit caller ID information may require significant restructuring of a teleservice company's current phone system architecture and could potentially be very costly to implement.

SER believes any proposed regulation of predictive dialers must enable businesses to continue to engage in lawful and productive teleservice activities. Support of the proposed rules and regulations as outlined in the NPRM would not reduce the number of unwanted calls. Instead, it would likely result in significantly reduced operational efficiencies, higher operating costs, the potential loss of employment, and ultimately increased costs of products and services for the consumer.

SER thanks the Commission for its consideration of these comments.

Chie E. Mengele

Chief Executive officer